

SaskTel's Sask911 Annual Report

(fiscal year April 1/99 – March 31/00)

The Emergency 911 System Act was proclaimed in 1996 and provided the legislative authority for development and implementation of Enhanced 9-1-1 (E911) call-taking service province-wide. The Sask911 system uses SaskTel's Provincial E911 Service infrastructure, and billing systems for 9-1-1 call routing and billing. Once completed, the Sask911 system will ensure that, wherever telephone land lines exist in the province and by dialing 9-1-1, people will be able to access a trained emergency call-taking operator who has electronic access to automatic number, name and location information.

Planning and implementation of the Sask911 System continued in 1999-2000 in collaboration with the four Sask911 Public Safety Answering Points (PSAPs), municipalities, health districts, local emergency service providers, and the Departments of Municipal Affairs, Culture and Housing, Health and Justice.

Attached is SaskTel's financial statement showing the revenues of and expenditures from the Sask911 account for the fiscal year from April 1, 1999 to March 31, 2000.

SaskTel's Goals to move Sask911 forward

- along with the Department of Municipal Affairs, Culture and Housing (MACH), continue to facilitate the Sask911 process with the other stakeholders;
- continue to administrate the Sask911 Account;
- continue to modify billing systems to accommodate Sask911 fees on the phone bill;
- continue to expand SaskTel's Provincial E911 Service coverage into the unserved areas;

SaskTel's Accomplishments

During 1999-2000:

- along with MACH, co-chaired the Sask911 Advisory Committee Meetings, helped facilitate Sask911 Implementation Team meetings, and provided input and advice to the province for the Sask911 initiative;
- completed the necessary changes, and extensive tests to ensure that SaskTel's Provincial 911 service is Year 2000 (Y2K) compliant;
- migrated an additional 16 rural municipalities onto SaskTel's Provincial 911 Service infrastructure in April 1999, and implemented Sask911 fees for this area in June 1999 ;

- migrated the City of Regina's old non-Y2K compliant 911 service onto SaskTel's Provincial 911 Service infrastructure in September 1999;
- implemented Sask911 fees on the phone bill for both the cities of Regina and Saskatoon in November 1999;
- initiated discussions with the South Saskatchewan 911 Region for implementation of the Phase 2 expansion to their Sask911 coverage area.

SaskTel's Future Direction

In 2000-2001:

- along with MACH, continue to facilitate the Sask911 process with the other stakeholders;
- continue to implement the expansion of Provincial E911 service in collaboration with the PSAPs to areas of the province that do not have access to E9-1-1 service.

Financial Statements of

SASK911 ACCOUNT

for the year ended March 31, 2000



AUDITORS' REPORT

To the Members of the Legislative Assembly
Province of Saskatchewan

We have audited the balance sheet of the Sask911 Account as at March 31, 2000, and the statement of operations and net assets for the year then ended. These financial statements are the responsibility of SaskTel management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Sask911 Account as at March 31, 2000, and the results of its operations and net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

Deloitte & Touche LLP.

Chartered Accountants

Regina, Saskatchewan
June 19, 2000

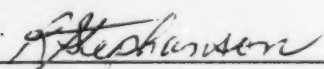
Sask911 Account**Balance Sheet**

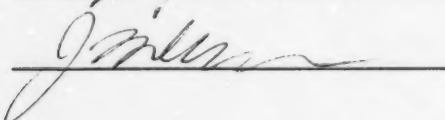
As at March 31

	2000	1999
ASSETS		
Current Assets		
Cash (Note 5)	\$ 458,068	\$ 41,883
Receivable from Saskatchewan Telecommunications (Note 5)	5,388	122
Interest receivable	1,441	144
	<u>\$ 464,897</u>	<u>\$ 42,149</u>
NET ASSETS	<u>\$ 464,897</u>	<u>\$ 42,149</u>
	<u>\$ 464,897</u>	<u>\$ 42,149</u>

See accompanying notes.

On behalf of SaskTel

 Officer

 Officer

Sask911 Account

Statement of Operations and Net Assets For the year ended March 31

	2000	1999
Revenues		
Net Sask911 Account fees (Note 4)	\$ 618,071	\$ 42,005
Interest income	5,953	144
Total revenues	624,024	42,149
Expenses		
Public safety answering points	201,276	-
Central co-ordination	-	-
Start-up communications	-	-
Standards and training	-	-
Total expenses	201,276	-
Excess of revenues over expenses	422,748	42,149
NET ASSETS, BEGINNING OF YEAR	42,149	-
NET ASSETS, END OF YEAR	\$ 464,897	\$ 42,149

See accompanying notes.

SASK911 ACCOUNT

Notes to Financial Statements

March 31, 2000

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared using generally accepted accounting principles.

2. STATUS OF THE SASK911 ACCOUNT

The Emergency 911 System Act (Chapter E – 7.3 of the Statutes of Saskatchewan) (“the Act”) provides for the development, implementation and operation of an Emergency 911 system in the Province, known as The Sask911 System.

Section 45.1 of The Saskatchewan Telecommunications Act (“the SaskTel Act”) established the Sask911 Account (“the Account”). Effective January 1, 1999 The Sask911 Fees Regulations (Chapter S - 34 Reg 3 as amended by Saskatchewan Regulations 39/1999) requires all telecommunication operators providing local telephone services in certain municipalities in Saskatchewan to bill their connected customers prescribed Sask911 fees and to remit these fees to Saskatchewan Telecommunications (“SaskTel”) for deposit into the Account. SaskTel manages the Account.

Section 7 of the Act provides that the Minister responsible may direct SaskTel to make payments out of the Account for the purposes of implementing the Act or exercising any of the Minister’s powers.

3. SCOPE OF FINANCIAL STATEMENTS

In addition to its role in collecting the Sask911 fees referred to in Note 2, pursuant to 9(1) (d.1) of the SaskTel Act, SaskTel is entitled to recover its cost of installing and maintaining the equipment and facilities required to place emergency 911 calls in the Province of Saskatchewan. Fees charged by SaskTel in respect of its telecommunications cost are not reflected in these financial statements but rather as revenue in the financial statements of SaskTel.

SASK911 ACCOUNT

Notes to Financial Statements

March 31, 2000

4. SASK911 FEES

A portion of the Sask911 fee is retained by SaskTel to cover its cost of billing and account management. The Sask911 fees were deposited into the Account as follows:

Sask911 fees billed	<u>2000</u>	<u>1999</u>
Residential	\$571,832	\$ 39,403
Business/Centrex	76,146	4,668
Multiline/PBX	94,863	6,220
	<u>742,841</u>	<u>50,291</u>
LESS: SaskTel billing and account management fee retained	<u>124,770</u>	<u>8,286</u>
Net Sask911 Account fees	<u>\$618,071</u>	<u>\$ 42,005</u>

5. DESIGNATED ASSETS

The Account contains designated assets to be used for the following funding purposes, under the direction of the Minister:

Designated assets	<u>2000</u>	<u>1999</u>
Public safety answering points	\$210,509	\$ 26,218
Central coordination	55,873	3,508
Start-up communications	176,729	11,283
Standards and training	15,689	996
	<u>\$458,800</u>	<u>\$ 42,005</u>

Cash reported on the balance sheet includes interest of \$4,656 paid to the Sask911 account, which is not included in the amounts designated above.

6. STATEMENT OF CHANGES OF FINANCIAL POSITION

A statement of cash flows has not been provided as it does not directly provide additional meaningful information.

SASK911 ACCOUNT
Notes to Financial Statements
March 31, 2000

7. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems, which use certain dates in 1999 to represent something other than a date. Although the change in date has occurred, it is not possible to conclude that all aspects of the Year 2000 Issue that may affect the entity, including those related to customers, suppliers, or other third parties, have been fully resolved.